

Amendments to the JSE Listings Requirements (the “Requirements”)

September 2021

Annual Improvement Project 2021

The Annual Improvement Project mainly aims to propose amendments to the Requirements, where the JSE has determined that (i) certain provisions in the Requirements require more clarity/context and/or (ii) there is ambiguity in the interpretation which needs to be remedied. New proposed amendments to the Requirements are intentionally limited.

Item	Section	Proposed Amendment	Rationale
1	Introduction	<p>General Principles</p> <p>The JSE intends to amend the Requirements to align the General Principles with Section 81 of the Financial Markets Act No. 19 of 2012 (the “FMA”) dealing with false, misleading or deceptive statements, promises and forecast.</p>	<p>The amendments aim to support the current general principle (v) “to ensure that all parties involved in the dissemination of information into the market place, whether directly to holders of relevant securities or to the public, observe the highest standards of care in doing so;”.</p> <p>A minimum expectation when observing the highest standards of care should include adherence to Section 81 of the FMA.</p>

2	<p>Section 1: Authority of the JSE</p>	<p>Removal at the Request of the Issuer</p> <p><i>Paragraph 1.16</i></p> <p>The JSE has received a request to amend the Requirements where approval is required for the removal of listing at the request of the issuer pursuant to paragraph 1.15(a), by increasing the required voting percentage of more than 50% of the votes of all shareholders to more than 75% of the votes of all shareholders.</p> <p>Based on the proposed increased voting percentage the JSE's discretion will be removed to exclude any shareholders and as such the exclusions will be limited to controlling shareholders, their associates and any party acting in concert. This will afford issuers more certainty on excluded shareholders for voting purposes.</p> <p>The 75% voting threshold mirrors the approach followed by the Australian Stock Exchange, the London Stock Exchange, the Singapore Stock Exchange and Hong Kong Stock Exchange.</p> <p>ASX (paragraph 2.7):</p> <ul style="list-style-type: none"> • Five scenarios of voting exclusions <p>https://www.asx.com.au/documents/rules/gn33_removal_of_entities.pdf</p> <p>FCA Handbook (paragraph 5.2.5(2)):</p> <ul style="list-style-type: none"> • Excludes controlling shareholders (30% or more) <p>https://www.handbook.fca.org.uk/handbook/LR/5/?view=chapter</p>	<p>The amendments aim to align the provisions dealing with the removal of listing with recognised exchanges and to provide more certainty on excluded shareholders.</p>
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		<p>Singapore Stock Exchange:</p> <ul style="list-style-type: none"> Excludes treasury shares and parties acting on concert. <p>http://rulebook.sgx.com/rulebook/1307-0</p> <p>Hong Kong Stock Exchange:</p> <ul style="list-style-type: none"> Excludes any controlling shareholders and their respective associates. Where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates shall abstain from voting in favour. <p>https://en-rules.hkex.com.hk/rulebook/612</p>	
3	Section 1: Authority of the JSE	<p>Shareholders' Meetings and Offers relating to Removal of Listing</p> <p><i>New paragraph 1.16</i></p> <p>The JSE intends to amend the Requirements to make it clear that the convening of a shareholders' meeting for a removal of listing initiated by the issuer pursuant to paragraphs 1.14 - 1.16 cannot be held during a prohibited period as defined. Further, the notice of meeting can only be distributed to shareholders once the prohibited period has ceased.</p>	<p>Section 12 (5) of FMA stipulates the following:</p> <p><i>(5) (a) If an issuer requests an exchange to remove its securities from the list but the exchange considers the securities to be eligible for continued inclusion in the list, the removal must be approved by the holders of those securities in a manner specified by the exchange and the exchange must be satisfied on reasonable grounds that the interests of minority holders of the securities have been considered.</i></p>

			<p><i>(b) An issuer must provide reasons for the request contemplated in paragraph (a).</i></p> <p>It is clear from the above that, where the JSE considers the securities to be eligible for continued inclusion in the list, removal of an issuer's securities must be approved by holders of those securities in a manner specified by the JSE. This is generally well understood and is adequately dealt with in Section 1 of the Requirements.</p> <p>Section 5 of the FMA further stipulates that the JSE must be satisfied on reasonable grounds that the interest of minority shareholders have been considered. The JSE therefore has a very specific statutory duty to consider and be satisfied that the interests of minorities have been considered.</p> <p>The amendments aim to support the statutory duties of the JSE required by the FMA, ensuring that shareholders are given full information and afforded adequate opportunity to consider in advance and vote upon significant matters.</p>
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4	Section 2: Sponsors	<p>Responsibilities of the Sponsors</p> <p><i>Paragraph 2.8</i></p> <p>Paragraph 16.23 of Schedule 16 of the Requirements stipulates that sponsors must have a formal written procedures manual dealing with various items as it relates to the application of the Requirements.</p> <p>It is assumed that once a procedures manual is in place that sponsors will act in accordance with such manual but this point is not explicit. The JSE intends to amend the Requirements to clarify that sponsors must act in conformity with the provisions of their written procedures manuals as mandated by the Requirements.</p>	<p>The amendments aim to clarify that sponsors must act in conformity with their written procedures manuals as mandated by the JSE.</p>
5	Section 2: Sponsors	<p>Disciplinary Action</p> <p><i>Paragraphs 1.4, 2.17 and 2.18</i></p> <p>The JSE intends to amend the Requirements to make it clear that designated advisers for AltX issuers also have the rights afforded to sponsors under the procedures for disciplinary action, including the right to appeal.</p> <p>Further, it will be clarified that sponsors and designated advisers will have the right to object to decisions made by the JSE pursuant to paragraph 1.4.</p>	<p>The amendments aim to ensure due process in relation to decisions of the JSE or disciplinary action, for both sponsors and designated advisers.</p>

		Pursuant to paragraph 2.14 of the Requirements, the designated adviser must comply with, and is subject to, all the provisions of the Listings Requirements as though they were a sponsor.	
6	Section 2: Sponsors	<p>Appointment</p> <p><i>New Paragraph 2.7</i></p> <p>The JSE intends to amend the Requirements to separate and clarify the roles of company secretary and sponsor, whereby the sponsor may not act as company secretary of the issuer.</p> <p>For the avoidance of doubt, the proposed amendment will equally apply to designated advisers.</p>	The amendments aim to separate and clarify the roles of sponsor and that of company secretary. The company secretary is the guardian of corporate governance at board level and the sponsor must advise applicant issuers on the application and interpretation of the Requirements. Independence of professional dealings remain paramount in these roles, when advising the board of directors on sound governance practices and the application of the Requirements.
7	Section 3: Continuing Obligations	<p>General Obligation of Disclosure - Trading Statements</p> <p><i>Part A: New Listings</i> <i>Paragraph 3.4(b)(iii) of the Requirements</i></p> <p>The JSE intends to amend the Requirements to clarify the application of the provisions dealing with trading statements as they apply to new listings.</p>	<p>Pursuant to paragraph 3.4(b)(iii) of the Requirements, trading statements must provide specific guidance by the inclusion of the period to which it relates and include the comparative numbers for the previous <u>published</u> period.</p> <p>In the context of a new listing, the issuer will not have comparative numbers for the previous <u>published</u> period, as there would have been no</p>

		<p>Part B: Percentage Range Paragraph 3.4(b)(iii)(1) of the Requirements</p> <p>The JSE intends to amend the Requirements to clarify the position where the inclusion of the percentage to describe the difference (when more than 100%) in certain instances could be misleading and/or confusing.</p>	<p>requirement to publish its financial results.</p> <p>The amendments aim to require new issuers to apply the provisions on trading statements during their first financial year from listing date, on their previous financial results, notwithstanding that these results have not been published pursuant to the provisions of the Requirements.</p> <p>As mentioned in the JSE Guidance Letter 19 dated April 2016, a concern was brought to the attention of the JSE regarding trading statement announcements where the inclusion of the percentage to describe the difference (when more than 100%) in certain instances could be misleading and/or confusing. The relevant instances are present when –</p> <ul style="list-style-type: none"> • the base information of the issuer is very low, or • the issuer has moved from a profit to a loss position or <i>vice versa</i>.
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8	Section 3: Continuing Obligations	<p>Short-Form Announcements – Key Audit Matters (“KAMS”)</p> <p><i>Paragraph 3.46(g) of the Requirements</i></p> <p>The JSE intends to amend the Requirements to clarify certain provisions in respect of short-form announcements dealing with KAMS.</p>	<p>The amendments aim to -</p> <ul style="list-style-type: none"> • recognise that KAMS disclosure also applies to preliminary reports and provisional reports; • recognise that KAMS can only be included in the audit report; and • elevate the importance of KAMS and to allow investors/shareholders to have information regarding KAMS in advance of waiting for the detailed financial statements as this

			information could potentially deal with price sensitive information.
9	Section 3: Continuing Obligations	<p>Directors</p> <p><i>Paragraph 3.60</i></p> <p>The various director integrity details pursuant to Schedule 13 are vital disclosures when considering an application for a new listing on the JSE.</p> <p>The JSE intends to amend the Requirements to align with the Debt Listings Requirements, to make any changes to the director integrity details pursuant to Schedule 13 a continuing obligation that must be announced through SENS.</p>	The amendments aim to keep continued focus and disclosure on director integrity information throughout the listing on the JSE, as also prescribed by the Debt Listings Requirements.
10	Section 3: Continuing Obligations	<p>Notification of Change of Auditor</p> <p><i>Paragraph 3.78 of the Requirements</i></p> <p>Pursuant to the provisions of paragraph 3.78 of the Requirements the JSE may, in its sole discretion, request the issuer to publish an announcement informing shareholders of the termination or resignation of the auditor and the reason(s) therefore.</p> <p>The JSE intends to amend the Requirements to remove the discretion of the JSE in respect of an announcement regarding the termination or resignation of the auditor, and to rather require issuers to publish a SENS announcement from the outset informing the market of the termination or resignation of the audit firm and the reason(s) therefore.</p>	<p>Given the important role played by the auditor, the JSE believes that it is prudent and in the interest of investors and shareholders that there is full transparency when there is a change in audit firm.</p> <p>The amendments aim to remove the discretion of the JSE and to require the announcement from the outset for the termination or resignation of the audit firm.</p>

11	Section 3: Continuing Obligations	<p>Corporate Governance</p> <p><i>Paragraph 3.84 – New Sub-Paragraph (l)</i></p> <p>Pursuant to paragraph 10.16(b) of Schedule 10 (Requirements for the MOI) of the Requirements, the appointment of all directors must be subject to shareholders’ approval at any general/annual general meeting.</p> <p>The JSE intends to amend the Requirements to mirror this provision contained in Schedule 10 under the corporate governance section in Section 3 of the Requirements in order to better facilitate enforcement by the JSE</p>	<p>The amendments aim to mirror this important governance provision in the Requirements as it relates to the appointment of directors, as found in Schedule 10 of the Requirements, in order to better facilitate enforcement by the JSE..</p>
12	Section 3: Continuing Obligations	<p>Corporate Governance: CEO and the Financial Director Responsibility Statement</p> <p><i>Paragraph 3.84(k) of the Requirements</i></p> <p>The JSE intends to amend the Requirements to clarify certain provisions on the CEO and the financial director responsibility statement.</p>	<p>The amendments aim to clarify certain items that have been identified through the application of the responsibility statement by issuers:</p> <ul style="list-style-type: none"> • Paragraph 3.84(k)(i)(b): <p>It has been argued that it cannot reasonably be expected for CEOs and financial directors to be aware of all facts and circumstances that could possibly affect the presentation of the annual financial statements. It is accordingly proposed that this paragraph rather start with</p>

			<p>the phrase, “<i>To the best of our knowledge</i>”. This approach accords with the current responsibility statement wording pursuant to paragraph 7.B.22 of the Requirements.</p> <ul style="list-style-type: none">• Paragraph 3.84(k)(i)(d): The amendments recognise that foreign primary issuers are not required to apply the King Code and therefore the reference to principle 15 of the King Code has been removed and replaced with a general responsibility statement by the CEO and financial director.• New Paragraph 3.84(k)(i)(e): Furthermore, it is proposed to amend the remedial measures to clarify that in relation to any deficiencies, (i) they have remediated the deficiency or (ii) the necessary suitable actions to remedy these deficiencies have been put in place.
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13	Section 3: Continuing Obligations	<p>Disclosure of voting results of annual /general meetings</p> <p><i>New Paragraph 3.91(b)</i></p> <p>The JSE intends to amend the Requirements to also include details in the required announcement of any resolutions added or amended at the annual/general meeting.</p>	The amendments aim to have prominent and public disclosure of any added or amended resolutions proposed at the annual/general meeting.
14	Section 4: Conditions of Listing	<p>Public Shareholders</p> <p><i>Paragraph 4.25</i></p> <p>The JSE intends to amend the Requirements to add a further exclusion to public shareholders, being associates of the applicant issuer or its major subsidiaries.</p>	The amendments aim to strengthen the integrity of public spread, by excluding associates of the applicant issuer or its major subsidiaries on the basis that the issuer clearly exercises a level of control over these entities.
15	Section 5: Methods and Procedures bringing Securities to Listing	<p>Repurchase of Securities</p> <p><i>Paragraph 5.67(B)</i></p> <p>The JSE intends to amend the Requirements to clarify the position that <i>pro rata</i> repurchases do not require shareholders' approval, whether undertaken by the issuer <u>or through its subsidiary</u>.</p> <p>This aligns with the remainder of the paragraph, where in all other instances of repurchases address both the issuer and through the subsidiary.</p>	The amendments aim align the paragraph as a whole and to clarify that where <i>pro rata</i> repurchases are undertaken and all shareholders' of the issuer are being treated equally, no shareholders' approval will be required irrespective of the issuer or its subsidiary undertaking the <i>pro rata</i> repurchases.

16	<p>Section 5: Methods and Procedures bringing Securities to Listing</p>	<p>Specific authority to repurchase securities</p> <p>Part A: Shareholder’s Meetings</p> <p><i>Paragraph 5.69(h)</i></p> <p>Paragraph 5.69(h) stipulates that a company or its subsidiary may not repurchase securities during a prohibited period as defined in paragraph 3.67 unless they have in place a repurchase programme.</p> <p>The JSE intends to amend the Requirements to make it clear that the prohibition above includes the convening of a shareholders’ meeting during a closed period for purposes of the specific authority to repurchase securities.</p> <p>Specific and general authority to repurchase securities</p> <p>Part B: Independent Agent</p> <p><i>Paragraphs 5.69(h) and 5.72(h)</i></p>	<p>The amendments aim the support the following:</p> <ul style="list-style-type: none"> • Shareholders’ approval is an express obligation imposed by the Requirements in respect of a specific repurchase. • Shareholders’ approval is an integral aspect of and inextricably linked to a specific repurchase authority. • Shareholders must also be afforded an adequate opportunity to consider the important price sensitive, financial and other information to ensure that they are in a position to make an informed decision in approving (or rejecting) the specific repurchase. <p>The amendments aim to ensure that the JSE is fully informed on the details of the independent agent and terms of the appointment/mandate.</p>
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17	Section 7: Listing Particulars	<p>Borrowings</p> <p><i>Paragraph 7.A.17</i></p> <p>Paragraph 7.A.17 requires the following disclosure:</p> <p><i>“Details of all material commitments, lease payments and contingent liabilities.”</i></p> <p>The JSE intends to amend the Requirements to mirror the level of disclosure in a similar fashion to loans receivable pursuant to paragraph 7.A.20.</p>	The amendments aim to afford more detailed disclosure of certain financial obligations of the applicant issuer, similar to loans receivable.
18	Section 7: Listing Particulars	<p>Documents available for inspection</p> <p><i>Paragraph 7.G.1</i></p> <p>The JSE intends to amend the Requirements to expand the manner in which documents for inspection may be viewed, specifically in an electronic manner.</p>	The amendments aim to make the viewing of required documents open for inspection more accessible.

19	Section 8 Financial Information	<p>Minimum Contents of Annual Financial Statements</p> <p><i>Paragraph 8.62(d) of the Requirements</i></p> <p>The JSE intends to amend the Requirements to remove the discretion, that the listed company's own financial must be published <u>only if</u> they contain significant additional information.</p>	<p>Flags have been raised by the audit regulator (IRBA) that group financial statements are signed-off, however the sign-off on the listed legal entity is delayed or even worse never signed-off.</p> <p>The amendments aim to remove the discretion when the listed issuer's own financial statements must be published (irrespective whether it contains significant additional information). The subjective determination by the board of "<i>significant additional information</i>" will therefore be removed.</p>
20	Section 8 Financial Information	<p>The Financial Reporting Investigations Panel</p> <p><i>Paragraphs 8.65 and 8.66 of the Requirements</i></p> <p>The JSE intends to amend the Requirements to clarify the role of the FRIP and remove the provision that the JSE may only take the necessary enforcement actions as envisaged in this paragraph only after receiving advice from the FRIP.</p>	<p>The amendments aim to clarify the role of the FRIP and to afford the JSE with the ability to enforce the Requirements as required by the FMA.</p> <p>It must further be recognised that the JSE does not receive advice from the FRIP on all matters of non-compliance of IFRS and the JSE's required accounting practices.</p>

21	Section 9: Transactions	<p>Aggregation of Transactions</p> <p><i>Paragraph 9.11</i></p> <p>The JSE intends to amend the Requirements to clarify its existing approach as it relates to the aggregation of transactions, that the respective categorisation percentages <u>at the time</u> of each transaction be aggregated.</p>	<p>The amendments aim to clarify the approach to aggregation of transactions.</p>
22	Section 9: Transactions	<p>Category 2 Requirements</p> <p><i>Paragraphs 9.15(a)(ii) and (iii)</i></p> <p>The category 2 requirements pursuant to paragraph 9.15 require the disclosure of the vendors (acquisition) and purchasers (disposal).</p> <p>The JSE intends to amend the Requirements to clarify the level of disclosure required in relation to vendors and purchasers, by requiring beneficial ownership of vendors and purchasers of transactions to be disclosed.</p>	<p>The amendments aim to ensure clarity around the disclosures in relation to transactions to ensure that beneficial owners of both vendors and purchasers are disclosed. This will also enable the JSE to better assess potential related party considerations.</p>
23	Section 10: Transactions with Related Parties	<p>Definitions</p> <p><i>Paragraph 10.1</i></p> <p>The family cross holdings test was introduced in 2018 to strengthen the integrity of public spread.</p> <p>The “family cross holding test” is currently defined as:</p>	<p>The amendments aim to expand the definition of related parties as it applies to directors of issuers, to include those persons that will within the application of the family cross holdings test.</p> <p>These are very close relations of the director and should be treated as related parties.</p>

		<p><i>the parents, siblings (including step and half siblings) and major children of the individual together with each such party's spouse (if applicable). Major child means a child of at least 18 years old</i></p> <p>The JSE intends to amend the Requirements to expand on the definition of related parties to apply the family cross holdings test to directors of the issuer.</p>	
24	Section 10: Transactions with Related Parties	<p>Items not regarded as Related Party Transactions</p> <p><i>Paragraph 10.6 read with paragraphs 10.1 and 9.1(c)(ii)</i></p> <p>Paragraph 10.6 deals with items not regarded as related party transactions, including certain other related party agreements. In addition the definition of related party transactions stipulates, amongst others, that the exclusions in paragraph 9.1(c) and (d) also apply to related party agreements.</p> <p>Paragraph 9.1(c)(ii) excludes a transaction to raise finance that, in either case, does not involve the acquisition or disposal of any asset of the listed company or of its subsidiaries.</p> <p>However it is conceivable that the application of paragraph 9.1(c)(ii) could result in a transaction to raise finance from related parties say in the form of a loan, which does not involve the acquisition or disposal of any assets of the listed company or of its subsidiaries. This would then be in contradiction with paragraph 10.6(c) of the Requirements.</p> <p>The JSE intends to amend the Requirements to make it clear that the exemption of paragraph 9.1(c)(ii) (a transaction to raise finance that, in either case, does not involve the acquisition or disposal of any asset</p>	The amendments aim to remove a potential contradiction between Section 9 and 10 of the Requirements.

		of the listed company or of its subsidiaries), will not apply where related parties are involved to raise finance.	
25	Section 11: Circulars, Pre-Listing Statements/Prospectuses and Announcements	<p>Capitalisation issues, cash disbursements and dividends</p> <p><i>Paragraphs 11.17(b) and (c)</i></p> <p>Pursuant to paragraphs 11.17 (b) and (c) of the Requirements, an announcement in respect of a capitalisation issue and dividend (including <i>in specie</i> dividend) requires the issuer to confirm whether the distribution to shareholders will be made from capital or income reserves.</p> <p>It has come to the attention of the JSE that the asset management and investment community does not use the above announcements but rather the circulars, when prepared, dealing with capitalisation issues, dividends (including <i>in specie</i> dividend and scrip dividends) and REIT reinvestments as the official source documents to determine the applicable accounting and tax treatment of the corporate action concerned.</p> <p>In light of the above, the JSE intends to amend the Requirements to ensure disclosure in circulars (which is already required in the announcements), when prepared, also indicate whether the distributions to shareholders will be made from capital or income reserves.</p>	The amendments aim to improve disclosure in the circular, where prepared, as to whether the distributions to shareholders will be made from capital or income reserves, notwithstanding the fact that the disclosure is also required in the relevant SENS announcements pursuant to paragraphs 11.17(b) and (c) of the Requirements.

26	Section 16: Document to be Submitted to the JSE	<p>Change of name of a listed company</p> <p><i>Paragraph 16.29</i></p> <p>The JSE intends to amend the Requirements to remove the reference to <u>draft</u> circular to be submitted to the JSE.</p>	<p>The amendment is aimed to remove the requirement to submit a draft circular to the JSE on the basis that the final version of the circular can be submitted to the JSE as the disclosure is rather prescriptive.</p>
27	Section 18: Dual Listings and Listings by External Companies	<p>Pre-Listings Statements</p> <p><i>New Paragraph 18.20</i> <i>Appendix 1 to Section 18</i></p> <p>The JSE intends to amend the Requirements to require regulatory analysis disclosure for approved exchanges and accredited exchanges (Fast-Track Listing Process) in the pre-listing statement as already contemplated by the JSE letter dated 28 May 2020.</p>	<p>The amendments aim to afford investors with focused disclosure of the regulatory or legislative framework of the primary jurisdiction.</p>
28	Section 18: Dual Listings and Listings by External Companies	<p>Continuing Obligations</p> <p><i>Paragraph 18.21 (to be renumbered)</i></p> <p>The JSE intends to amend the Requirements to provide clarity on the timing of the submission of the details dealing with volume and value of securities on all exchanges where it has a listing to the JSE in order for the JSE to consider the applicant's issuers continued secondary listing. This provision only applies to applicant issuers with a primary listing on an exchange not approved by the JSE.</p> <p>It has come to the attention of the JSE, that where a secondary listed issuer is late with the issuing its annual financial statements, or</p>	<p>The amendments aim to afford clarity on the submission obligation timing to the JSE regarding details dealing with volume and value of securities on all exchanges where it has a listing.</p>

		<p>whatever reason, it fails to trigger the submission obligation to the JSE of the details dealing with volume and value of securities to the JSE (on the basis that this information must be submitted together with the annual financial statements).</p> <p>The JSE intends to amend the Requirements making it clear that submission obligation of details dealing with volume and value of securities must be submitted to the JSE no later than four months from the financial year-end of the applicant issuer.</p>	
29	<p>Section 18: Dual Listings and Listings by External Companies</p>	<p>MOI Secondary Listings</p> <p>Schedule 10 (Requirements for the MOI)</p> <p>In reviewing the public comments on the proposed amendments to the Requirements following the JSE Consultation Paper issued in September 2018, a clear theme came through in favour of creating regulatory certainty for issuers seeking a secondary listing on the JSE. Typically, as is the case with certain peer exchanges that have secondary listing regimes, reliance is primarily placed on the regulation afforded by the primary foreign exchange. Issuers are familiar with the regulations and disclosures applied by their primary exchanges, and would want to avoid a scenario where unfamiliar foreign regulation (from their point of view) is imposed on them, especially from a continuing obligations perspective.</p> <p>During 2019 the JSE proposed amendments to the Requirements to apply this customary regulatory approach whereby reliance is placed on the regulation of the primary foreign exchange.</p> <p>It has come to the JSE's attention that Schedule 10 (Requirements for the MOI) would need to be amended accordingly to align with the</p>	

		<p>above objective, as it relates to the applicable provisions of Schedule 10 as applied to the constitutions of secondary listed companies.</p> <p>The JSE intends to amend the Requirements to make it clear that the applicable Schedule 10 provisions applied to secondary listed companies are not mandatory for inclusion in the constitution of the secondary listed issuer, however the JSE must obtain a firm understanding of the items mentioned in paragraph 10.22 of Schedule 10 as applied to the constitution of the foreign applicant issuer.</p> <p>The JSE will require additional disclosure in the PLS or pre-listing announcement in the case of accredited exchange applicant issuer (fast-track listing) to the extent that (i) there are material differences or (ii) any of the items are dealt with outside the scope of the constitution of the applicant issuer (e.g. local legislation).</p>	
30	Schedules	<p>Schedule 5: Independent Fairness Opinions</p> <p>During December 2018, the JSE introduced related party agreements as related party transactions subject also to the provisions of Section 9 and 10 of the Requirements.</p> <p>The JSE intends to amend the Requirements to recognise and clarify that a valuation of the issuer and/or the subject of the transaction by an independent professional expert is not always practical where related party agreements are measured against market related rates/objectively ascertainable benchmarks.</p>	<p>The amendments aim to recognise that a valuation by an independent professional expert is not always possible where the related party agreement is measured against market related rates objectively ascertainable benchmarks, provided that the issuer must discuss the basis of the fairness opinion with the JSE at an early stage for the JSE to determine whether a valuation is indeed required.</p>

31	Schedules	<p>Schedule 13: Directors Declaration</p> <p>Paragraph 19</p> <p>The JSE intends to amend the Requirements to extend the director integrity disclosure provision to remove the limitation to “<i>dishonest activities</i>”.</p> <p>Further to include a guilty verdict from a “<i>court of law</i>” as well, and not only employer or regulatory body as currently the case.</p>	<p>The aim of the amendment is to have disclosure on whether a director has been found guilty in disciplinary <u>or other</u> proceedings <u>or a judgment made</u> against the director, by an employer, regulatory body or <u>court of law</u>, not only relating to dishonest activities.</p> <p>Director integrity information is vital and the JSE wishes to broaden the scope of this declaration.</p>
32	Practice Note 1/2003	<p>Circulars and notices of annual general meetings</p> <p>Provisions in Practice Note 1/2003 deal with incorporation by reference as it relates to circulars and notices of general meetings.</p> <p>The JSE intends to amend the Requirements to move this portion of Practice Note 1/2003 to Section 11 dealing with incorporation by reference, which will be the more appropriate place in the Requirements.</p>	<p>The amendments aim to consolidate provisions dealing with incorporation by reference and to reduce practice notes.</p>

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